



Administered by

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MEASURES OF GROWTH IN FOCUS 2011

Executive Data Summary

In this 17th edition of the *Measures of Growth* report, twenty-five indicators were chosen to give the reader a comprehensive picture of the Maine economy. Since the previous year's report, eight indicators moved away from their benchmarks, nine indicators moved closer to their benchmarks, and eight indicators made no movement either way in relation to their benchmarks.

This year the Growth Council added two new indicators. Fourth Grade Reading Scores was added for the first time and the Chronic Disease indicator has become the Wellness and Prevention indicator, measuring the number of overweight and obese adults in Maine. The Growth Council felt that these additions were critical, measuring the early development and future performance of Maine's children and tracking a leading cause of preventable chronic health conditions in the population.

Two indicators were assigned gold stars in this year's report meaning that the Growth Council felt they exhibited exceptional performance in moving toward their benchmarks. They are: International Exports and Conservation Lands.

Five indicators were assigned red flags in this year's report meaning that the Growth Council felt they need particular attention in order to improve. They are: Research and Development Expenditures (repeat), Fourth Grade Reading Scores (new indicator), Cost of Doing Business, Cost of Health Care, and Wellness and Prevention (new indicator).

1. Per Capita Personal Income: Maine's national rank among the 50 states on per capita income will reach 25th by 2015

- Maine's 2009 per capita personal income was \$36,479
- Maine's 2009 per capita personal income was 92.1% of U.S. per capita personal income
- Maine's national rank remained at 30
- 2009 rankings of other New England states: CT(1), MA(3), NH(10), RI(16), and VT(22)
- **Did not move relative to benchmark**

2. Gross Domestic Product: Maine's Gross Domestic Product growth will outpace New England and U.S. growth

- Maine GDP experienced -1.3% of real (inflation adjusted) loss between 2008-2009
- New England and the U.S. GDP experienced -2.0% and -2.1% of real loss, respectively for that same time
- Maine GDP experienced 1.4% of real growth between 2004-2009
- New England and the U.S. GDP experienced 3.9% and 5.7% of real growth, respectively for that same time
- Real Estate, Government, Health Care and Social Assistance, and Manufacturing sectors accounted for 50% of Maine GDP in 2009
- **Even with Decline - Moved toward benchmark**

3. Employment: Employment measured by the number of total jobs will increase each year

- Total Maine employment decreased by 22,200 jobs or -3.6% between 2008-2009
- Two individual sectors experienced growth: Health Care and Social Assistance (1.3%), and Educational Services (0.5%)
- The three biggest individual sector losses include: Construction (-15.0%), Information (-12.4%), and Manufacturing (-10.9%)
- **Moved away from benchmark**

4. Multiple Job Holding: Maine's multiple job holding rate will decline to the U.S. rate

- Workers holding multiple jobs in Maine was 7.7% in 2009, a decrease from 8.3% in 2008
- Workers holding multiple jobs in U.S. was 5.2% in 2009
- **Moved toward benchmark**

5. Maine Research and Development Expenditures as percent of GDP: Total research and development spending as a percent of GDP in Maine will increase to 3% by 2015

- Maine R&D expenditures were 1.0% of GDP in 2007, the same as 2006
- EPSCoR states (1.3%), U.S. (2.6%), and New England (5.2%) in 2007
- Maine R&D share by sector: Industry 55%, Academia 29%, and Non-Profit 16%
- **Did not move relative to benchmark and received red flag again**

6. International Exports: Maine's international exports will grow faster than U.S. international exports

- Maine exported almost \$2.8 billion in commodities in 2010 – an increase of 27.4% from 2009
- U.S. exports increased by 15.9% between 2009-2010
- Biggest consumers: Canada, Malaysia, China, Netherlands, and South Korea
- **Moved toward benchmark and received gold star**

7. High Speed Internet Subscribers: Maine will reach the New England level of high speed internet subscribers by 2015

- Number of subscribers per 1000 people grew in Maine (325), New England (508), and the U.S. (436) in 2009
- Gap between Maine and New England increased slightly
- **Moved away from benchmark**

8. New Business Starts: The entrepreneurial index in Maine will reach 0.50% by 2015

- Entrepreneurial activity in Maine (businesses started by those who have not previously owned one) was higher than New England and EPSCoR states, and the same as the U.S. in 2009
- Maine DOL calculated a new business survival rate of 88% between 2008 and 2009
- Maine microbusinesses (five or fewer employees) shrunk by -3.9% from 2007-2008 and accounted for 21% of total employment in Maine
- **Moved away from benchmark**

9. Manufacturing Productivity: The value added per manufacturing worker in Maine will increase to within 15% of the value added per manufacturing worker in the U.S. by 2015

- Maine workers produced on average \$101,630 of product in 2009, a 8.9% increase from 2008
- U.S. workers produced on average \$132,360 of product in 2009, a 6.5% increase from 2008
- Maine ranks higher than Rhode Island, New Hampshire, and Vermont on this indicator in 2009
- Gap between Maine and the U.S. decreased from 25% to 23%
- **Moved toward benchmark**

10. Higher Degree Attainment: The percentage of Maine residents age 25 and over with a higher education degree will increase to at least the New England average by 2020

- In 2009 35.7% held a higher degree in Maine, 43.2% in New England and 35.4% in the U.S.
- Maine improved slightly and made up some ground on the gap with New England
- **Moved toward the benchmark**

11. Fourth Grade Reading Scores (NEW INDICATOR): Maine's share of students scoring proficient and above will reach 50% by 2015

- In 2009, 36% of Maine fourth grade students scored proficient or better in the national reading test, higher than the U.S. average of 32%
- Maine has made no progress on this measure since 1994
- **Did not move relative to benchmark and received red flag**

12. Cost of Doing Business: The cost of doing business in Maine will decrease to the U.S. average by 2015

- Maine's Economy.com index at 114.1 (100 = U.S. average) in 2008 – an increase from 112.9 in 2007
- Economy.com index ranks Maine 3rd highest in Cost of Doing business in 2008 – Massachusetts ranked 2nd
- **Moved away from benchmark and received red flag**

13. Cost of Health Care: The growth in the price of medical care in New England will be equal to or less than the growth in personal income in Maine

- New England medical CPI grew 5% from 2008-2009; 385% from 1984-2009
- Maine income grew by 0.2% from 2008-2009; 258% from 1984-2009
- **Moved away from benchmark and received red flag**

14. Cost of Energy: Maine's cost of electricity will decrease to the U.S. average by 2015

- Maine retail price of electricity (all sectors) \$40.54/million Btu in 2008
- U.S. retail price of electricity (all sectors) \$28.64/million Btu in 2008
- Maine's cost of retail electricity 42% higher than U.S. average in 2008
- **Moved toward benchmark**

15. State and Local Tax Burden: Maine's tax burden will decline and move toward the New England average each year through 2015

- Maine state and local tax burden in 2008 was 12.9% as measured by the U.S. Census or 10.1% as measured by the Tax Foundation
- New England state and local tax burden in 2008 was 11.1% as measured by the U.S. Census or 9.9% as measured by the Tax Foundation
- Maine's national tax burden ranking in 2008 was 6 (U.S. Census) or 14 (Tax Foundation)
- Maine's per capita tax in 2008 was \$4,507 ranking 14 in the nation according to the U.S. Census and \$3,836 ranking 21 according to the Tax Foundation
- **Did not move relative to benchmark**

16. Transportation Infrastructure: Maine's roadway deficiency index will decline each year to the New England index

- **No update available at time of publication**
- Index at 80 for ME – no improvement from previous year
- New England at 54.7
- **Did not move relative to benchmark**

17. On-the-Job Injuries: Maine's reported on-the-job injury rate will move closer to the U.S. rate each year through 2015

- Maine went from 6.0 to 5.6 per 100 workers between 2008-2009
- U.S. goes from 3.9 to 3.6 per 100 workers between 2008-2009
- **Did not move relative to benchmark**

18. Affordable Housing: The housing affordability index in Maine will reach 1 by 2015

- Maine's housing affordability index was at 0.89 in 2009 (affordable = or > 1), improved from 0.81 in 2008
- U.S. index was at 0.89, New England was at 0.80 in 2009
- Affordability varies widely by county – southern and coastal counties less affordable than in-land and northern counties
- **Moved toward the benchmark**

19. Poverty: Maine's poverty rate will decline and remain below the U.S. through 2015

- Maine's poverty rate remained the same in 2009 at 12.5% (rolling 3-year average)
- U.S. poverty rate went from 13.2% to 13.5% from 2008 to 2009 (rolling 3-year average)
- New England poverty rate went from 10.1% to 10.3% from 2008 to 2009 (rolling 3-year average)
- Maine and U.S. 200% poverty rate at approximately 30% in 2009
- Poverty rate varies widely by county – Washington at 20.6% and York at 8.4% in 2009
- Maine child poverty rate ages 0-5 at 21.4% and 17.5% for all children under 18 in 2009
- **Did not move relative to benchmark**

20. Gender Income Disparity: The median annual income of women working full-time will improve to 100 percent of the median annual income of men working full-time by 2015

- Maine's median annual income for women was \$32,395 compared to \$42,205 for men in 2009
- This represents an earning-ratio of 76.8%, a step backwards from 79.6% in 2008
- By occupation disparity varies
- **Moved away from benchmark**

21. Wellness and Prevention (NEW INDICATOR – Replaces Chronic Disease): The percent of overweight and obese adults in Maine will decrease to 50% by 2015

- 64.2% of adults in Maine were overweight or obese in 2009 – in 1995 the share was 51.7% in Maine
- 63.1% of adults in the U.S. were overweight or obese in 2009
- This follows an increasing trend in the U.S. and Maine over the last 15 years
- **Moved away from benchmark and received red flag**

22. Health Insurance Coverage: The percentage of Maine's population with health insurance coverage will continually rise and remain above the U.S. rate

- 90.2% of Maine population covered by health insurance in 2009
- 84.2% of U.S. population covered by health insurance in 2009
- Maine coverage in 2009: 50% employer, 4% direct purchase, 20% MaineCare, 14% Medicare, 2% Other Public, and 10% uninsured
- **Did not move relative to benchmark**

23. Conservation Lands: The amount of Maine conservation land intended for public use will increase from 1,300,710 acres in 2000 to 1,800,000 acres by 2010

- After adding lands with conservation easements (left out of prior calculations) the total acreage of conservation land in Maine was at 3.5 million acres in 2009
- This exceeds the benchmark
- **Moved toward the benchmark and received gold star**

24. Sustainable Forest Lands: The balance of net growth to removals will be maintained over time near a 1:1 net growth to removals ratio

- Net growth to removal ratio at 1:1.02 was in the desired zone in 2008
- **Moved toward the benchmark**

25. Population of Service Center Communities: The percentage of Maine people who reside in service center municipalities will reach 50 percent by 2010

- Percentage of Maine people living outside a service center went from 51.8% to 52.2% from 2008 to 2009
- **Moved away from benchmark**